Saskatchewan
Ministry of
Agriculture

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*All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.*
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# Cattle Market Update

For the Week Ending February 8, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

***Feeder Cattle***

**Steers**

| | Range | Average | Change from last week |
|---|---|---|---|
| 300-400 | 155-181 | 165.25 | -2.25 |
| 400-500 | 150-179 | 162.13 | +2.88 |
| 500-600 | 142-165 | 151.94 | +3.94 |
| 600-700 | 133-148 | 140.64 | +1.54 |
| 700-800 | 127-140 | 133.69 | +1.39 |
| 800-900 | 123-133 | 128.17 | +0.84 |
| 900+ | 120-129 | 123.67 | +3.27 |

**Heifers**

| | Range | Average | Change from last week |
|---|---|---|---|
| 300-400 | 140-156 | 146.40 | -1.93 |
| 400-500 | 135-154 | 143.78 | +2.86 |
| 500-600 | 123-148 | 135.93 | +2.53 |
| 600-700 | 120-132 | 125.89 | +1.25 |
| 700-800 | 115-124 | 119.50 | -0.21 |
| 800+ | 110-123 | 117.00 | +0.50 |

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 11,181 head of cattle were sold in Saskatchewan this week, down from 15,116 head marketed during the previous week.

Feeder cattle prices increased overall from the previous week. Continued tightening cattle inventories with light cash cattle trade have kept cash feeder cattle prices moving overall higher.

Average feeder steer prices ranged from $2.25 lower in the 300-400 lb. steer weight category, to $3.94 higher in the 500-600 lb. weight category. Average feeder heifer prices ranged from $1.93 lower in the 300-400 lb. heifer weight category to $2.86 higher in the 400-500 lb. heifer weight category. The weekly average declines in both steer and heifer feeder cattle were primarily in the light weight (300-400 lb) category.

The benchmark 500-600 lb. feeder steer average price increased $3.94 per cwt to $151.94 per cwt while the 500-600 lb. feeder heifer average price increased $2.53 per cwt to $135.93 per cwt. The steer to heifer price spread increased to $16.01 per cwt compared to $14.60 per cwt the previous week.

The Saskatchewan 750 lb. feeder steer basis compared to the February 7, 2013 U.S. feeder cattle index at US$145.43 per cwt was calculated at -$12.13 per cwt, an improvement of $1.45 per cwt from the previous week.

The bred cow prices in Alberta ranged from $900 to $1,650 per cow last week, up from the range of $900 to $1,550 per cow the previous week. Bred heifer prices ranged from $1,000 to $1,590 per cow last week, up from the range of $950 to $1,500 per cow the previous week.

## *Fed and Non-fed Cattle*

| | February 8 | February 1 | Change |
|---|---|---|---|
| **Steers** | | | |
| Live | n/a | n/a | n/a |
| Rail | n/a | n/a | n/a |
| **Heifers** | | | |
| Live | n/a | n/a | n/a |
| Rail | n/a | n/a | n/a |
| **Cows (Alberta)** | | | |
| D1,2 Live | 72.56 | 72.92 | -0.36 |
| D3 Live | 65.15 | 65.56 | -0.41 |
| Rail | 140.00-145.00 | 140.00-145.00 | 0 |

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were lower from the previous week with D1,2 slaughter cows decreasing $0.36 per cwt to average $72.56 per cwt, while D3 slaughter cows decreased $0.41 per cwt to average $65.15 per cwt.

Fed cattle prices in Western Canada moved higher with the price of fed steers in Alberta reported at $116.33 per cwt, up slightly from $116.24 per cwt the previous week. The fed cattle basis (Alberta cash to U.S. 5-area cash) was calculated at -$8.88 per cwt.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$124.87 per cwt, down slightly from US$125.18 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$199.84 per cwt, down 0.6 per cent from US$201.14 per cwt the previous week.

The U.S. live cattle futures market moved lower last week reacting to lower beef cutout values. Packers have been unable to pass on increased costs to retailers and are showing signs of reducing chain speed. Live cattle futures for the February 2013 to December 2013 contracts decreased between US$0.750 per cwt and US$2.700 per cwt, week-over-week (Friday).

Average beef cutout values (Choice 600-900 lb.) for the week ending February 9 averaged US$183.31 per cwt, down 1.4 per cent from US$185.83 per cwt the previous week, and down 1.4 per cent from US$185.97 per cwt for the same week a year ago.

U.S. beef production last week for the week ending February 9 was estimated at 472.8 million lb., down 4.6 per cent from 495.5 million lb. during the previous week, but up 0.4 per cent from 470.7 million lb. a year ago.

**USDA World Agricultural Supply and Demand Estimates**

Last week USDA released the February World Agricultural Supply and Demand Estimates (WASDE). On the meat side, numbers were negative as the February estimates of red meat and poultry production for 2013 were revised upward over one per cent from January, almost an extra one billion pounds. The February estimates increased the U.S. production of pork to 23.425 billion pounds, up 0.60 per cent from January and up 0.75 per cent from 2012. While U.S. beef production is still estimated to decline in 2013, the annual decline was reduced from 4.29 per cent in January to 3.16 per cent in February. The big change was that in January U.S. broiler production for 2013 was estimated to decrease 0.38 per cent, but now the February report is estimating broiler production to increase 1.36 per cent in 2013.
http://www.usda.gov/oce/commodity/wasde/latest.pdf

## *Friday Price Information*

| Product | | This Week (February 8) | Week of: (February 1) |
|---|---|---|---|
| **Canadian Dollar** (closing rate US$) | | .9973 | 1.0027 |
| **United States Dollar Index** | | 80.227 | 79.185 |
| **U.S. Cash Cattle** | | | |
| Thurs. Feeder Cattle (FC) Index (US$ per cwt) | | 145.43 | 146.27 |
| Seven-day Weighted Average FC Index Wt. (lb.) | | 760 | 758 |
| Live Fed 5-area Steer Price (US$ per cwt) | | 124.87 | 125.18 |
| **Feed Grains** | | | |
| **Barley** | Lethbridge ($/tonne) | 284.00 | 280.00 |
| | ($ per bu.) | 6.18 | 6.10 |
| **Corn** | Iowa State Average (CDN$/tonne)* | 282.24 | 290.93 |
| | (US$ per bu.) | 7.15 | 7.41 |
| | Omaha, NE (CDN$/tonne)* | 290.93 | 301.14 |
| | (US$ per bu.) | 7.37 | 7.67 |
| **Futures** | | | |
| | March Corn (US$ per bu.) at expiry | 7.09 | 7.36 |
| | July Corn (US$ per bu.) | 6.99 | 7.28¾ |
| | February Live Cattle (US$ per cwt) | 126.450 | 127.100 |
| | June Live Cattle (US$ per cwt) | 125.700 | 127.750 |
| | March Feeder Cattle (US$ per cwt) | 145.000 | 149.200 |
| | October Feeder Cattle (US$ per cwt) | 159.100 | 162.275 |

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

**For more information contact:**
**Grant Zalinko PAg**
Provincial Cattle Analyst
306-787-6607
grant.zalinko@gov.sk.ca